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For further information, contact:

Lawrence Spinelli (202) 336-8690

Timothy Harwood (202) 336-8744

## **OPIC ANNOUNCES \$400 MILLION SUPPORT FACILITY FOR TELECOMMUNICATIONS & IT SECTORS**

GENEVA, Switzerland – Dr. Peter Watson, president and CEO of the Overseas Private Investment Corporation (OPIC), announced today that OPIC would establish a preliminary \$400 million support facility to encourage U.S. investment in the telecommunications and information technology (IT) sectors of emerging markets globally. The facility is the latest of several agency initiatives intended to increase investment in those sectors.

Dr. Watson made the announcement at the World Summit on the Information Society.

The OPIC facility will be used specifically to support U.S. investments in telecommunications and IT projects which promote the use of information and communication technology (ICT)-based products, networks, services and applications to assist countries in overcoming the digital divide. In so doing, it addresses several of the major goals outlined by the summit organizers.

“Dependable and current telecommunications and IT infrastructure represent a cornerstone for sustainable development and economic growth in emerging markets around the world. And, as the summit recognizes, the private sector will play a critical role in developing and diffusing new technologies to those markets. For those reasons, and because the sector is a strategic priority for OPIC, we are establishing a support facility to help draw U.S. investment into new markets internationally,” Dr. Watson said.

“Telecommunications and IT industries will in particular catalyze ‘old economy’ sectors such as education, health and agriculture, as well as create opportunities in newer sectors, including e-business and software development. We at OPIC are pleased to contribute meaningfully to the summit and its estimable goal of reducing the digital divide between the developed and developing worlds. This OPIC support is an initial step toward reaching that goal,” he added.

Dr. Watson noted that the announcement followed other recent OPIC initiatives targeting the telecommunications and IT sectors.

In October, he announced that OPIC would establish a \$150 million support facility to promote information and communications technology partnerships between the U.S. private sector and Brazil, thereby advancing the Bush Administration’s “One Hemisphere” initiative to create common markets for North and South America by

promoting common standards for the next wave of technological upgrades. OPIC also recently announced its support for a Global Sector Fund-focused on equity investments in communications, retail, services & specialized manufacturing, with a total capitalization target of up to \$1.2 billion.

OPIC was established as an agency of the U.S. government in 1971. It helps U.S. businesses invest overseas, fosters economic development in new and emerging markets, complements the private sector in managing risks associated with foreign direct investment, and supports U.S. foreign policy. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers.

OPIC's political risk insurance and financing help U.S. businesses of all sizes invest in more than 150 emerging markets and developing nations worldwide. Over the agency's 32-year history, OPIC has supported \$145 billion worth of investments that have helped developing countries to generate more than 680,000 host-country jobs. OPIC projects have also generated \$65 billion in U.S. exports and created more than 254,000 American jobs.

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